CITY OF WICHITA 2010-2011 Consolidated Plan SECOND PROGRAM YEAR ACTION PLAN

DRAFT FOR PUBLIC COMMENT

Submit comments to
Housing & Community Services Department
332 N. Riverview
Wichita, KS 67203
And online at:

www.wichita.gov/CityOffices/Housing/CommunityInvestments

Between

March 15 and April 13, 2010

GENERAL

Executive Summary. The City of Wichita has identified resources in this Second Program Year Action Plan with which to address local needs, in order to achieve the City's vision of a community where everyone can realize a high quality of life. The Wichita community continues to experience ill effects of a weak economy however the goals for a vibrant, dynamic environment remain strong. Components of the Second Program Year Action Plan will provide assistance to those who are experiencing need for the first time, as well as to those who have been without the necessary resources to realize the community's vision.

The City of Wichita's top two Consolidated Plan priorities reflect the economic times. Housing and public services will receive top priority during 2010-2011. Safe, affordable housing will provide community stability so that the public services which are delivered can be expected to improve the quality of life and lead to self-sufficiency for the recipients of Consolidated Plan-funded services.

The City of Wichita's 2010-2011 program year begins July 1, 2010 and is the second year of the 2009-2013 Five Year Consolidated Plan. The current Consolidated Plan can be viewed in its entirety on the City's website at www.wichita.gov/CityOffices/Housing/CommunityInvestments/2009-2013.htm.

This Second Program Year Action Plan outlines the activities that will be undertaken during the 2010-2011 program year using the following funds:

Community Development Block Grant (CDBG)	\$2,848,360
HOME Investment Partnerships (HOME)	\$1,833,537
Emergency Shelter Grant (ESG)	\$125,266

Programs and activities described in this plan are designed to primarily benefit low to moderate income residents and neighborhoods within the city of Wichita. CDBG funds will continue to be used to support housing, capital improvements and public services, while HOME funds will provide new housing development subsidies, first time homebuyer assistance with down payments and closing costs for income eligible residents of Wichita. ESG funds will be disbursed to homeless service providers to support essential services, maintenance and operations. Homeless prevention is not being recommended for funding in 2010-2011 because the homeless services community gave this a lower priority for funding, and because the Wichita community is in receipt of Homelessness Prevention and Rapid Re-Housing (HPRP) funds from the American Recovery and Reinvestment Act.

The following suggested allocations have been proposed to fund Consolidated Plan programs for the 2010-11 program year. The categories and proposed activities correspond to the priority needs identified by City of Wichita residents.

Housing	\$1,367,640
Public Services	\$ 938,883
CDBG Planning and Administration	\$ 541,837
HOME Investment Partnerships	\$1,370,153
HOME Administration	\$ 183,353
Community Housing Development Organizations	\$ 275,031
Emergency Shelter	\$ 125,266

Plan Objectives and Anticipated Outcomes

Plan objectives and anticipated outcomes are detailed in the Housing, Homeless, Community Development and Non-Homeless Special Needs Housing sections of this action plan. 2010-2011 Program activities and goals are consistent with those identified in the 2009-2013 Consolidated Plan and are presented below in a format which is consistent with HUD's Community Planning and Development Outcome Performance Measurement System. Activities funded under the HUD-designated Planning and Administration Priority Need Category are not included in these tables. The following charts reflect full year accomplishments for 2008-2009 since the 2009-2010 program year has not yet ended.

Objective: Improve Housing Market within Low to Moderate Income Neighborhoods

Activity	Unit Type	2010-11 Goal	2008-09 Actual
Housing Development Loan Program	Housing	12	16
CHDO Set-Aside Housing Development Activities	Housing	8	17

The activity listed below provides down payment and closing cost assistance to first time homebuyers.

Activity	Unit Type	2010-2011 Goal	2008-09 Actual
HOMEownership 80	Households	30	45

The following activities provide rehabilitation loans and emergency home repair assistance to income eligible homeowners.

Activity	Unit Type	2010-2011 Goal	2008-09 Actual
HOME Deferred Loan Program	Households	1	1
Home Repair Program	Households	248	350

Objective: Support Public Service Activities throughout the Community

The activities listed below are designed to make services and facilities available and/or accessible to low and moderate income residents.

Activity	Unit Type	2010-2011 Goal	2008-09 Actual
Big Brothers Big Sisters	People	150	N/A
Catholic Charities – Anthony Family Shelter	People	400	651
Catholic Charities – Harbor House	People	1,875	758
Inter-Faith Ministries – Inter-Faith Inn	People	842	1,013
Inter-Faith Ministries – Safe Haven	People	150	118
Neighborhood Assistance Program – Atwater	People	10,000	36,145
Neighborhood Assistance Program – Colvin	People	18,000	47,676
Neighborhood Assistance Program –Evergreen	People	21,000	19,005
Neighborhood Assistance Program – Stanley	People	10,000	11,647

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Office of Central Inspection Demo & Clearance	Housing	20	45
Salvation Army – Emergency Lodge	People	1,465	386
United Methodist Open Door	People	1,800	1,254
YMCA – Middle School After School Program	People	5,200	5,200
YWCA of Wichita – Women's Crisis Center	People	400	382

The following activities are designed to improve the neighborhoods of low to moderate income persons by eliminating slums or blighted areas.

Activity	Unit Type	2010-2011 Goal	2008-09 Actual
Boarded Up House Program	Housing	5	5
Neighborhood Clean-Up	Locations*	10	13
Secondary Structure Demolition Program	Housing	2	1

^{*}Number of actual cleanups performed. Performance measurements will be modified for the upcoming program year.

Objective: Create Economic Opportunities

The following programs help low to moderate income persons obtain employment skills training and job opportunities in the public and private sector.

Activity	Unit Type	2010-2011 Goal	2008-09 Actual
YMCA -Summer Youth Employment Program	People	130*	10
Saint Mark United Methodist Church -Summer Youth Employment Program	People	65*	NA

^{*}Proposed number served may vary depending on final funding recommendation

<u>Citizen Participation</u>. Citizens were asked to comment on priorities for the 2010-2011 Second Program Year Action Plan, through presentations at District Advisory Board meetings in December, 2009. Given the need to continue current programs to meet ongoing needs, and no guarantees of additional funding, the citizens recommended that the City continue funding current programs at current levels. However the public also was generally supportive of increasing the amount of funds available for down-payment and closing cost assistance, and adding job training programs – if additional funds became available.

HOUSING

Specific Housing Objectives. Wichita Housing and Community Services addresses housing needs by:

- *Promoting Homeownership* by a) increasing the number of first time homebuyers, b) increasing the housing stock available to first time homebuyers, c) maintain safe housing for existing homeowners through home repair programs.
- Assisting low to moderate income renters by a) maintaining an occupancy level of 98 percent or higher in our public housing units, b) maintaining a 98 percent or higher lease-up rate in our Section 8 program, c) depending on available funding, provide resources to repair property for rent to low to moderate income families and individuals, d) encourage and participate in the development of new affordable rental units.
- Assisting the homeless population by a) providing funds to support emergency shelter services,
 b) depending on funding availability provide funds to support transitional housing programs, c)
 provide funds to establish a resource and referral center, d)provide funds to prevent
 homelessness, and e) provide affordable permanent housing, e) administer homeless assistance.
- Enhancing the quality of life for low to moderate income homebuyers, homeowners, and renters by a) providing information about maintaining their housing, b) providing information about how to purchase a home, and c) providing information and resources as to how to modify homes to accommodate special needs.
- Enhancing low to moderate income neighborhoods by a) funding blight elimination programs, b) funding programs to acquire and rehabilitate blighted properties, and c) funding neighborhood infrastructure projects.

The following table provides objectives, available resources that will be used to meet the objectives, estimated amount of federal funding and the estimated number of units to be produced or families to be assisted during 2010-2011.

Specific Housing Objectives: 2010-2011

Objective Resources Estimate Funding Estimated			Estimated Numbers	
			Amt	
Promo	ote homeownership			
A.	Increase number of first time home buyers	HOME, local lender pool, local banks and financial institutions	HOME Admin \$79,208 HOME 80 \$553,122	29
В.	Increase number of affordable single family homes for purchase	HOME, local banks and financial institutions, Neighborhood Stabilization Program (NSP)	HOME Admin \$79,208 CHDO SF DEV \$237,625	6
C.	Maintain safe housing for existing homeowners through home repair programs	CDBG, HOME, Affordable Housing Program, non-profits, local builders' associations, local job training programs	Home Repair \$659,467 Hsg Dev Loan \$400,000 Deferred Loan \$35,000	330
Assist	low to moderate income renters			
A.	Maximize Public Housing inventory by maintaining 98+% occupancy	Office of Public and Indian Housing	Rent Sub \$1,600,000 Cap Fund \$2,100,000	566
В.	Maximize Housing Choice Voucher program by maintaining 98+% occupancy	Office of Public and Indian Housing, Supportive Housing Program	PIH HCV HAP \$11,800,000	2500
C.	Provide funds for repairs to property for rent to low to moderate income renters	HOME, local tax incentive programs		
D.	Encourage and participate in development of new affordable rental units	HOME, federal Housing Tax Credit program, local tax incentive programs, City Council endorsement	No Cost	
Assist	the homeless population			
A.	Provide funds to support emergency services	CDBG ESG	\$269,033 \$106,461	4,988
В.	Provide funds to support transitional housing programs	ESG		
C.	Provide funds to prevent homelessness	HPRP	\$181,544	622

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D. Provide affordable permanent housing	CDBG, Office of Public and Indian Housing, Faith-Based partners, community non-profits, HPRP, local general revenues	City of Wichita \$143,250 PIH VASH \$48,118 Sedgwick Co. \$191,368	64
E. Administer homeless assistance	ESG CDBG	ESG \$6,263 Housing First \$63,605	
Enhance the quality of life for low to			
moderate income homebuyers,			
homeowners and renters			
A. Provide information as to how to maintain their housing	CDBG, HOME, Office of Public and Indian Housing, community counseling agencies	In-Kind	
B. Provide information regarding how to purchase a home	HOME, community counseling agencies, CHDOs	CHDO Operating \$50,000	
C. Provide information and resources to address the need to modify homes to accommodate special needs	CDBG	NIS Admin \$482,173	
Enhance low to moderate income			
neighborhoods			
A. Fund blight elimination programs	CDBG, HOME, NSP	Demolition \$176,000 N'hood Clean-ups \$50,000	37 16
B. Fund programs to acquire blighted properties and restore them	CDBG, HOME, NSP	Boarded up Home program \$150,000	3
C. Fund neighborhood Infrastructure Projects	CDBG	\$500,000	

HOME

HOME funding will be utilized to provide down payment and closing costs assistance loans for owner-occupant homebuyers with household incomes not exceeding 80 percent of the median income level for the Wichita MSA. The City's homeownership assistance program is known as HOMEownership 80. HOME funds will also be used to support the development of affordable housing in partnership with local Community Housing Development Organizations (CHDOs).

The City will utilize the "recapture" option, in connection with its homebuyer assistance program, as described in 24 CFR 92.254, of the HOME regulation. Financial assistance available under the City's HOMEownership 80 program is provided in the form of loans secured by a second and/or third mortgage with an acceleration clause to call the entire note due and payable in the event of subsequent sale or when the property ceases to be owner-occupied. A statement of owner-occupancy is an element of the second mortgage. In the event the re-sale price of the HOME-assisted property is insufficient to pay for closing costs, sales expenses and outstanding mortgage balances, the HOME subsidy loan may be forgiven in whole or in part, provided the seller (original program participant) does not receive any proceeds from the sale of the home at the time of closing. This provision also apples to foreclosure sales.

The City of Wichita believes affordability is best achieved by making HOME subsidies available through zero-interest deferred payment loans, which have no monthly payment obligation. By making these loans due and payable upon re-sale, the HOME funding can be "re-cycled" in order to carry out additional affordable housing projects. All loan repayments are considered to be Program Income, and must be used in connection with HOME-eligible projects. HOMEownership 80 loan funds repaid during the affordability period are considered to be "recaptured" funds.

The City's loan documents include a provision for partial loan forgiveness, in connection with its HOMEownership 80 program. Upon expiration of the applicable affordability period, the City will forgive 50 percent of the loan provided for down payment and closing costs, and if a loan for rehabilitation was provided in connection with the purchase, the entire loan will be forgiven following the end of the applicable affordability period.

The City will provide 15% of its HOME allocation to support the development of affordable housing. Mennonite Housing Rehabilitation Services and POWER Community Development Corporation will receive funds sufficient for each of them to develop four new homes which will be sold to first time homebuyers. The City has restricted the development of such housing, to Redevelopment Incentive Areas and Local Investment Areas, in order to complement other public and private efforts to build up the City's core areas.

HOMELESS

During the 2010-11 year, the City of Wichita expects to receive Emergency Shelter Grant (ESG) funds to assist the homeless population by supporting essential services, maintenance and operations and homeless prevention. The City will contract with Catholic Charities, Inter-Faith Ministries, The Salvation Army, United Methodist Open Door and the Young Women's Crisis Center, to provide these services. These organizations were identified through a competitive proposal process and reviewed by a citizens committee prior to approval by the Wichita City Council. Organizations which serve victims of domestic violence will also receive support from the Community Development Block Grant (CDBG) program, Public Services category. Funds will be used for counseling and operational costs of the facilities.

In addition the City of Wichita and Sedgwick County have committed general funds to pay for rent subsidies for 64 chronically homeless persons participating in the Housing First program. In the Housing First program, chronically homeless persons are offered immediate permanent housing with the option of receiving supportive services. All participants agree to meet at least weekly with a case manager, adhere to the lease requirements. Funds are included in the Second Program Year Action Plan for one staff person to administer this program.

COMMUNITY DEVELOPMENT

The City of Wichita non-housing priority community development needs have been identified in various neighborhood plans. Specifically they include public facilities such as improved sidewalks, street improvements and street layout. Sidewalk improvements have been funded in 2009-2010 through the CDBG-R allocation which was a part of the American Recovery and Reinvestment Act of 2009, however sidewalk improvements are not included in the Second Program Year Action Plan.

The plans also stress the need for community gathering places so that residents can be informed and have a voice in their future. The Neighborhood City Halls currently provide that outlet and the Community Development Block Grant-funded positions facilitate the use of those facilities for the benefit of the surrounding neighborhoods. In the Second Program Year Action Plan, funds are proposed for the Neighborhood Assistants to continue to provide this service.

Public services initiatives address priority needs often mentioned in the neighborhood plans as well as in responses to the priority needs survey which the City conducted in preparation of the 2009-2013 Consolidate Plan. Youth programs are specifically mentioned and the Second Program Year Action Plan will fund afterschool recreation and enrichment and summer youth employment.

Code enforcement is being supported as a non-housing community development needs. This Second Program Year Plan will fund demolition of blighted properties with CDBG funds, and will also designate HOME funds for boarded up house acquisition and rehabilitation. Both of these activities consistently been listed as high priority needs as expressed by residents who live in areas where such blighting conditions exist.

NON-HOMELESS SPECIAL NEEDS HOUSING

The City of Wichita does not receive HOPWA funding as an entitlement grant.